

Current Economic Indicators

Prepared by the Economic Analysis Department

New Business Incorporations

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News

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NEW INCORPORATIONS INCREASE 4.3 PERCENT IN MAY

NEW YORK, July 19--New business incorporations increased 4.3 percent to 62,281 in May 1989 from 59,729 in May 1988, according to The Dun & Bradstreet Corporation.

For the first five months of 1989, the number of new incorporations increased 1.4 percent to 299,982 from 295,903 in 1988.

Thirty-six states reported year-to-date increases, with eight reporting increases greater than 10 percent. Arkansas reported the largest gain, up 49.1 percent to 2,859 from 1,917; followed by Hawaii, up 26.2 percent to 1,518 from 1,203; and Alabama, up 23.6 percent to 3,726 from 3,014. Of the 14 states to report decreases in the first five months, two were greater than 10 percent. The sharpest declines

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occurred in Arizona, down 19.1 percent to 4,670 from 5,772; and Vermont, down 10.2 percent to 819 in 1989 from 912 in 1988.

Five of the nation's nine U.S. Bureau of the Census regions reported year-to-date increases in new incorporations. The East South Central states reported the greatest increase, up 11.9 percent to 12,446 from 11,123; followed by the West South Central states, up 7.9 percent to 24,670 from 22,858; the East North Central states, up 4.5 percent to 40,666 from 38,907; the South Atlantic states, up 4.2 percent to 81,888 from 78,568; and the West North Central states, up 2.5 percent to 14,598 from 14,241. The New England states reported the largest year-to-date decrease, down 7.0 percent to 16,317 from 17,545. Other decreases occurred in the Mountain states, down 4.9 percent to 20,436 from 21,485; followed by the Pacific states, down 4.5 percent to 31,254 from 32,723; and the Middle Atlantic states, down 1.3 percent to 57,707 from 58,453.

Month of May

Of the 35 states to report increases in new incorporations in May, eight were larger than 20 percent. The greatest increase occurred in South Carolina, up 36.0 percent to 680 in May of 1989 from 500 in May of 1988. Other significant increases were reported in Arkansas, up 35.2 percent to 549

from 406; Maryland, up 34.5 percent to 1,807 from 1,343; and Hawaii, up 27.6 percent to 305 from 239.

Of the 15 states to report decreases in new incorporations in May of 1989, two were greater than 20 percent. The largest decrease occurred in Arizona, down 24.6 percent to 903 from 1,198; and Connecticut, down 21.0 percent to 825 from 1,044.

Seven of the nine U.S. Bureau of the Census regions reported increases in new incorporations in May. The greatest increases were reported in the East South Central states, up 11.6 percent to 2,366 from 2,121; and the South Atlantic states, also up 11.6 percent to 18,321 from 16,423. The West South Central, the Pacific, the Middle Atlantic, the West North Central and the East North Central states reported increases ranging from 7.9 percent to 0.9 percent. Decreases in new incorporations were reported in the New England states, down 11.6 percent to 3,182 from 3,599 and the Mountain states, down 4.4 percent to 4,275 from 4,470.

The largest number of new incorporations in May was reported in Florida, with 7,832, followed by New York, with 6,646 and California, with 4,416.

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(See Attached Tabular Data)

NEW BUSINESS INCORPORATIONS BY STATES AND GEOGRAPHIC REGIONS
(Not Seasonally Adjusted)

	May 1989	Apr 1989	% Change Apr 1989 May 1989	May 1988	% Change May 1988 May 1989	Total Five Month(s) 1989	5 Month(s) 1988	% Change 89-88
NEW ENGLAND	3,182 E	2,923	8.9	3,599 R	-11.6	16,317 E-R	17,545	-7.0
Maine	262 E	262	0.0	289 R	-9.3	1,339 E	1,324	1.1
New Hampshire	294	240	22.5	327	-10.1	1,360	1,505	-9.6
Vermont	155	153	1.3	185	-16.2	819	912	-10.2
Massachusetts	1,346	1,185	13.6	1,456	-7.6	6,634	7,366	-9.9
Connecticut	825	786	5.0	1,044 R	-21.0	4,605 E	4,873	-5.5
Rhode Island	300	297	1.0	298 R	0.7	1,560	1,565	-0.3
MIDDLE ATLANTIC	11,993	10,334	16.1	11,652	2.9	57,707	58,453	-1.3
New York	6,646	6,310	5.3	6,767	-1.8	33,480	34,337	-2.5
New Jersey	3,322	2,393	38.8	3,131	6.1	14,140	14,850	-4.8
Pennsylvania	2,025	1,631	24.2	1,754	15.5	10,087	9,266	8.9
EAST NORTH CENTRAL	8,009	8,038	-0.4	7,940	0.9	40,666	38,907	4.5
Ohio	1,560	1,669	-6.5	1,628	-4.2	8,434	8,400	0.4
Indiana	1,232	1,137	8.4	1,189	3.6	5,981	5,743	4.1
Illinois	2,588	2,503	3.4	2,557	1.2	12,585	12,106	4.0
Michigan	2,075	2,167	-4.2	1,974	5.1	10,741	9,911	8.4
Wisconsin	554	562	-1.4	592	-6.4	2,925	2,747	6.5
WEST NORTH CENTRAL	2,848	2,638	8.0	2,794	1.9	14,598 E	14,241	2.5
Minnesota	848	810	4.7	819	3.5	4,304	4,155	3.6
Iowa	335	263	27.4	344	-2.6	1,826	1,754	4.1
Missouri	896	785	14.1	879	1.9	4,463	4,496	-0.7
North Dakota	99	63	57.1	80	23.7	391 E	381	2.6
South Dakota	97	85	14.1	86	12.8	427	409	4.4
Nebraska	231	228	1.3	210	10.0	1,270	1,137	11.7
Kansas	342	404	-15.3	376	-9.0	1,917 E	1,909	0.4
SOUTH ATLANTIC	18,321 E	15,795 E	16.0	16,423 E	11.6	81,888 E-R	78,568	4.2
Maryland	1,807	1,314	37.5	1,343	34.5	7,733	6,952	11.2
Delaware	2,600	2,595	0.2	2,668	-2.5	13,189 R	12,926	2.0
Washington D.C.	188 E	188 E	0.0	188 E	0.0	940 E	940	0.0
Virginia	1,783	1,278	39.5	1,503	18.6	8,050	7,572	6.3
West Virginia	231	226	2.2	216	6.9	1,141 E	1,135	0.5
North Carolina	1,330	1,078	23.4	1,067	24.6	6,074	5,415	12.2
South Carolina	680	672	1.2	500	36.0	3,030	2,648	14.4
Georgia	1,870	1,412	32.4	1,557	20.1	8,237	7,943	3.7
Florida	7,832	7,032	11.4	7,381	6.1	33,494	33,037	1.4

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(Not Seasonally Adjusted)

	May 1989	Apr 1989	% Change Apr 1989 May 1989	May 1988	% Change May 1988 May 1989	Total Five Month(s) 1989	5 Month(s) 1988	% Change 89-88
EAST SOUTH CENTRAL	2,366	2,061	14.8	2,121	11.6	12,446	11,123	11.9
Kentucky	592	564	5.0	551	7.4	3,151	2,949	6.8
Tennessee	776	685	13.3	626	24.0	3,811	3,514	8.5
Alabama	681	499	36.5	649	4.9	3,726	3,014	23.6
Mississippi	317	313	1.3	295	7.5	1,758	1,646	6.8
WEST SOUTH CENTRAL	4,890	4,254	15.0	4,533 R	7.9	24,670	22,858	7.9
Arkansas	549	491	11.8	406 R	35.2	2,859	1,917	49.1
Louisiana	842	716	17.6	773	8.9	4,090	3,897	5.0
Oklahoma	681	520	31.0	633	7.6	3,271	3,233	1.2
Texas	2,818	2,527	11.5	2,721	3.6	14,450	13,811	4.6
MOUNTAIN	4,275	3,579	19.4	4,470 R	-4.4	20,436 E	21,485	-4.9
Montana	131	142	-7.7	111	18.0	625	562	11.2
Idaho	187	174	7.5	183	2.2	800	830	-3.6
Wyoming	72	78	-7.7	74	-2.7	371	399	-7.0
Colorado	1,347	1,127	19.5	1,382 R	-2.5	6,471	6,643	-2.6
New Mexico	248	178	39.3	239	3.8	1,095	1,080	1.4
Arizona	903	658	37.2	1,198	-24.6	4,670 E	5,772	-19.1
Nevada	1,050	896	17.2	950	10.5	4,688	4,430	5.8
Utah	337	326	3.4	333	1.2	1,716	1,769	-3.0
PACIFIC	6,397 E	5,789 E	10.5	6,197 E	3.2	31,254 E-R	32,723	-4.5
Alaska	125	118	5.9	134	-6.7	657	649	1.2
Washington	929	798	16.4	875	6.2	4,547	4,270	6.5
Oregon	622	632	-1.6	569	9.3	3,312	3,130	5.8
California	4,416	3,942	12.0	4,380	0.8	21,220	23,471	-9.6
Hawaii	305 E	299 E	2.0	239 E	27.6	1,518 E	1,203	26.2
TOTAL U.S. (unadjusted)	62,281 E	55,411 E	12.4	59,729 E-R	4.3	299,982 E-R	295,903	1.4
TOTAL U.S. (seasonally adjusted)	57,775 E	55,245 E	4.6	58,046 E-R	-0.5			

(E) - Estimated

(R) - Revised

Source: Economic Analysis Department, The Dun & Bradstreet Corporation.

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